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Action Assigned to CAAction Taken

FOREIGN SERVICE DESPATCH

FROM American Embassy, Taipei.

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DESP. NO.

TO THE DEPARTMENT OF STATE, WASHINGTON:

November 14, 1952

REF Department's Memorandum of Conversation of October 8, 1952, Mr. [redacted]
"Comments by a Nationalist Official on the Political Situation in Formosa."

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SUBJECT: Political Situation in Formosa.

Members of the Embassy staff have read the "Comments by a Nationalist Official on the Political Situation in Formosa" with interest and benefit. Some of his observations seem true, others demonstrably false. The wide scope of his remarks precludes commenting upon them in other than a cursory way. It is believed, however, that previous Embassy despatches concerning a number of these subjects will supplement and support the brief statements made in the following paragraphs.

"The visitor was disturbed by the fact that the Nationalists are not using Formosans in positions of responsibility in the Government or even in the ranks of their military forces."

In the general report on Formosa's provincial administration, made by Governor K. C. WU at the first session of the Provisional Provincial Assembly on December 12, 1951, he pointed out that at the time the island was retroceded by the Japanese "there were altogether 84,559 government employees under the Japanese Governor-General, while the present figure is only 76,710, including all civil servants and school teachers under the Provincial Government.

"...It should also be noted that at the beginning of the Japanese rule, not a single native of the island was appointed as a senior official. Before the take-over, there was only one native out of a total of 110 officials of the Selected Class. Today there are in the Provincial Government 116-Taiwan-born officials of this class. Among the Recommended Class, Taiwan-born officials have increased from the 51 at the time of the Japanese rule to today's 2,970."

Among the high officials of the Provincial Government who are Formosans may be mentioned HSU Ching-chung, Commissioner of Agriculture and Forestry, CHEN Shang-wen, Commissioner of Reconstruction, YANG Chao-chia, Commissioner of Civil Affairs, and LI Lien-chun, Director of the Food Bureau. Of the 23 Commissioners who form the Governor's "cabinet", 17 are Formosans. Although much of their life has been spent outside Formosa and

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so they perhaps cannot be classified as "genuine" Formosans, HUANG Chao-chin, Chairman of the Provincial Assembly, and LIN Ting-li, Vice-Chairman of the Provincial Assembly, were born on this island.

The high officials of the National Government, with few exceptions, have come from the mainland...as, of course, did the Government about three years ago. When the Government removed to Taipei it brought with it an excessive number of officials and employees of all ranks -- relative to the needs of Formosa -- and consequently there has been very little reason to add natives of this island to its already overburdened lists of functionaries. For every Formosan who is qualified for a given position in the National Government there are probably several mainland Chinese here who are equally, if not better, fitted. This statement is not made to belittle the Formosans but to set forth the fact that the Japanese during their 50-year rule of the island followed a policy of using Formosans in only the lowest positions and the latter thus had virtually no opportunity to gain training or experience in high official posts.

"Speaking of the military establishment, he said that any military force was destined for eventual extinction unless it had a means of replenishing its ranks. He believed that the Nationalists did not use Formosans because they feared them."

Even with large scale United States economic and military aid, the Chinese Government has had a hard time maintaining its 600,000-man military establishment and also the island's economic equilibrium. The manifest lack of funds to support an increase in the size of its armed forces has been the chief reason why the Government has not recruited more soldiers. It has been the policy of MAAG, and this policy has received the full support of the Embassy and MSA, to re-organize, train and equip the existing forces before adding to their numbers. In accordance with this policy and in view of the Government's difficult financial position, the highest United States diplomatic, military and economic authorities on Formosa asked the Chinese Government in the first part of 1952 to reconsider its plan of drafting 15,000 men, as announced by the Ministry of National Defense. The project was subsequently greatly modified, it being decided, however, that approximately 7,000 men should be recruited to make up for attrition in the armed forces.

Furthermore, a plan brought forward in September 1952 by the Ministry of National Defense to develop new reserves at the rate of 120,000 a year was pared down to 30,000 a year as a result of objections raised by the Embassy, MSA and MAAG on the grounds that the program would have unbalanced the national budget. These reserves, of necessity, would have been largely Formosans.

One of the Assistant United States Military Attaches at Taipei stated on November 10, 1952, that during the past two years approximately 14,000 recruits had been added to the Chinese Army and that they had been drafted without respect to birth in continental China or in Formosa -- age and physical condition being the main criteria. Recently General SUN Li-jen, Commander-in-Chief of Chinese Ground Forces, told Mr. RANKIN that neither will any future draft distinguish between the place of birth (mainland China or Formosa) of the draftees.

To reiterate, it is lack of money and need to get present forces into shape that keep the Chinese Government from drafting more soldiers -- not fear of the Formosans.

"The visitors closed with the observation that 'it is most unlikely that the Embassy, MAAG or MSA on Formosa can possibly form a really balanced, true picture there, because all of the officials with whom U.S. representatives deal professionally are either pro-Gimo and son all the way or are frightened into appearing so, and other people and particularly Formosans (unless they are a part of planned window-dressing) could not possibly go to the Embassy to talk with our officials, for fear of their very lives'".

The three officers of the Embassy who are specially charged with following political and related developments on Formosa are keenly sensible of their limited insight, knowledge and associations. They do not agree, however, that this situation results from their alleged dealings only with officials who are "either pro-Gimo and son all the way or frightened into appearing so". As a matter of fact, some National Government officials, a few of them in high positions, speak very frankly and very explicitly of the Generalissimo's faults, as well as those of his elder son, General CHIANG Ching-kuo. For example, the Embassy has submitted two despatches, summarizing the outspoken, bitter remarks of a high official about both these personages, as well as other prominent military and political figures in Free China. One of the aspects of the widely talked about, and apparently real, struggle for power between Premier CH'EN Ch'eng and General Chiang Ching-kuo is the fact that the former's supporters -- and he has a number of adherent both in and outside the Youth Corps clique -- seek to inform members of the Embassy regarding what they regard as the evil machinations of General Chiang and the unfair assistance given him by his father. Other influential figures in the Government and Party whose views are of a democratic, liberal, western cast have expressed concern about some of General Chiang's methods and objectives, as well as his years in Soviet Russia and his seeming predilection for authoritarianism. Officials in the minority parties

are in frequent contact with members of the Embassy and they speak very critically of President Chiang, the Government, the Kuomintang, et cetera.

"The official said that pressure is put on practically every Chinese employee of the Embassy to act as an informer, and they do and must perform this service for the Government. He further said that the Government had those who performed the service of surveillance of American officials by the nape of the neck, and that what was true of office surveillance was also true of the homes of leading Americans, through their servants."

It would perhaps be ingenuous to assume that none of the local employees of the Embassy reports to the appropriate Chinese authorities some of the things observed in the course of their employment. Embassy officers, especially the Security Officer, are well aware that there may be informers among the Chinese staff. Representatives from the Regional Security Office at Manila have also paid attention to this on their not infrequent visits to Taipei. Some months ago one of the Chinese employees was dismissed for "unsatisfactory work" but actually because he was found to be informing, at a very low level, on the doings of the Embassy. It is considered that almost all the Chinese employees of the Embassy are loyal and trustworthy; it is not believed that, except for possibly a very few of them, they have been intimidated into being informers on this mission's activities. This situation is no different from that in most countries of the so-called Free World; it is very different from that existing behind the Curtain.

As for servants informing on their American employers, it seems likely that this may be true in some cases. Again, it is not thought to be a general practice. About the only categorical comment that can be made on this matter is that the amount of information given fellow members of the local cooks' guild is undoubtedly much greater in quantity and interest than that turned over to the "secret police". Another observation that might be hazarded is that, in view of the political orthodoxy and moral purity which characterize the lives and thoughts of all members of the American Embassy, reports about them could only redound to their favor.

In conclusion, the account of events on Formosa given by the Chinese official who called at the Department was much like other reports of this nature which Embassy officers receive from time to time from a variety of sources -- high and low, and of varying degrees of reliability. It is not considered however that such reports present anything like a balanced picture of

what is actually going on here. It is feared that the expression of such extremist views may do more to confuse than to enlighten those who seek an understanding of political developments in Free China, unless these views are put in proper perspective, checked with actual facts and weighed against antithetical opinions.

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